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power to secure the removal of the Soviet presence in Cuba.

Our country stands upon solid ground in pursuing this policy. If Mr. Khrushchev promised the removal of the Soviet force, I cannot see that the continued insistence of our administration that he keep his promise will lead to any confrontation that would be different from that which existed last fall.

Mr. MANSFIELD. Not at all.

Mr. COOPER. But Mr. Khrushchev's promise is not the true base of such a policy. The extension of Soviet force into this hemisphere violates even the kind of status quo that Khrushchev has urged for the Soviet Union's purposes. Not long ago he spoke about East Berlin and East Germany. He said that they had become an integral part of Communist Eastern Europe, and that the Soviet Union would not tolerate any intrusion by the Western Powers, including the United States, into that area.

Yet he has extended Soviet force into this hemisphere.

I say this reluctantly: taking into full consideration the very strong position of our country last fall at the time of crisis—when Mr. Khrushchev was required to admit his wrong by the withdrawal of missiles—if the Soviet Union continues to maintain its forces in Cuba, then the Soviet Union has made the great gains in the whole affair.

I am sure the President is using all the means, other than force, which are available to him at this time, to insist upon the withdrawal of the Soviet forces—and we support him.

Nevertheless, if the country can know that, with respect to Cuba, it is our purpose to secure the withdrawal of Soviet forces, and to take every step that can properly be taken to do this, it would be indeed helpful, and it would give more comfort to all of us.

If these means fail, if provocations occur, and if the danger to our security continues because of the Soviet presence, I would believe that it could lead in time to a crisis such as we faced last fall.

Mr. MANSFIELD. I believe the Senator is making an assumption which could possibly turn out to be a justified assumption. I do not know. The Senator from Kentucky does not know. I do wish to assure the Senator that, so far as the President is concerned, he is doing everything in his power to bring about not only a reduction in the Soviet troops and technicians in Cuba, but also to bring about a withdrawal of both from that island back to their homeland or elsewhere outside the Western Hemisphere.

I know that the President is doing all he can do, in his position, and in the light of the circumstances which confront him. I assure the Senator from Kentucky that what he has said has been taken to heart.

I compliment the Senator from Kentucky on his consistency, and I wish to say that, while it is true he has not spoken much on Cuba or any other aspects of our foreign policy, that fact has meant a loss to the Senate, to the country, and to the administration.

Mr. KUCHEL. Mr. President, first I wish to say to the distinguished majority leader that he has my continuing respect, simply because of the fairness with which he comments on all public questions, in this instance on the very excellent address made by the distinguished junior Senator from New York [Mr. KEATING] today.

It is needless for me to add that he has also my fond friendship, just because he is a "good guy."

I wish to make some comments on the subject he has discussed, if I may. I am a Republican. I am a Republican U.S. Senator. I am an American first, just as the Presiding Officer is first an American, and just as every other Member of the Senate is first of all an American.

There will be some lurid, emotional, and ill-considered comments made by some people, whose intellectual gyrations get a little phrenetic on foreign policy generally. Some of these statements will be made by Democrats, and some of them will be made by Republicans.

I believe that my friend, the majority leader, will not mind my recalling that when Dwight Eisenhower determined to cancel our recognition of the Castro government, because Mr. Eisenhower would not make the people and the Government of the United States take anymore insults from that vile little person, some of my brethren across the aisle denounced Eisenhower for doing it. I do not believe that served a very constructive purpose. Eisenhower was right in what he did. I hope we over here on this side of the aisle will try to be constructive when we speak out on public questions, particularly on those questions which involve the very future of America.

A few days ago the second anniversary of the Bay of Pigs occurred. It was from Eisenhower on down that the tone of the Republican Party in this country was set. It was General Eisenhower, speaking from Gettysburg, who said, "We all face the same evil. Let us not now engage in partisan, political comment. I suggest we do not now make the fiasco of the Bay of Pigs one of political discussion." There was a responsible, patriotic American speaking. There was a great American, who acted as he saw the light in the best interest of the country as, indeed, he always did. Yet, occasionally, some of the lunatic fringe have denounced Eisenhower as a "Communist dupe." Think of it.

My able friend, the Democratic leader in the Senate, has mentioned the goal of our country. What is the goal of the Government of the United States and the people of the United States? Is it not the security of our country? Is it not the perpetuation of our liberty? Is it not the advancement of this world toward peace and justice with honor?

I think it is; and particularly with respect to Cuba, I believe the goal of the American people and of our Government was reflected in the Cuban resolution which we wrote here in the Senate and in the other body last year.

I want this country to be united. I want the country to recognize that the President of the United States, whoever he is, during his term, speaks for all of us in matters of foreign policy. But I want it also to be clearly understood that when able men, like the junior Senator from New York, rise in the Senate or in the country to make constructive comments, they have a right—indeed, a duty—to do so, and that they reflect the heartfelt, soulfelt concern of the American people when they do so. The American people are concerned—deeply concerned—and will continue to be concerned so long as there is any communism in this hemisphere; so long as there is communism anywhere on the globe.

Let us never forget the duplicity and the deceit by which the Soviet Union took into Cuba rockets which could have blown into ruin and rubble great cities in the United States and in this hemisphere.

I think some of us can be pardoned for wondering whether a promise on any subject by the Soviet Union is susceptible of complete credibility. The American people—and I believe the junior Senator from New York [Mr. KEATING] reflects their thinking—want firmness, vigor, and honorable dedication to principle by any occupant of the White House. That is what we want. The people of the country are united with respect to that desire.

We seek peace; but in the words of the present occupant of the White House, we have fought wars before. We seek to advance the cause of peace with justice in this country. And, in advancing that cause, responsible and constructive comment is the duty of each of us.

I merely say to my friend, MIKE MANSFIELD, a great Senator, a great representative of the Democratic Party, a great leader in this Chamber, that there will be no division between Senators whom he represents on his side of the aisle and Senators on this side of the aisle in wanting and urging the President of the United States to apply firmness and vigor in the conduct of the foreign policy of this country.

#### MODEL U.N. ASSEMBLY

Mr. MOSS. Mr. President, this year on April 19 and 20 the Ninth Model United Nations Assembly is to be held at the University of Utah in Salt Lake City. Students will participate and represent member nations in sessions similar to those held by the real U.N. Assembly in New York City. These students will concern themselves with the same international problems with which that organization must deal. They will endeavor to see problems through the eyes of the nationals whom they are designated to represent. Even the Iron Curtain countries will be represented with vigor and zeal. The realism of the debate and the insight displayed by these high school students is reassuring to oldsters who wonder how our land will fare for leaders when we are gone. Through such participation, these stu-

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Clothing: Up a bit. When the April index is issued, it well may be higher because of the introduction of the spring lines.

## SERVICES STILL GOING

Services: Higher. Costs of medical and personal care are still climbing, but again the rate of rise has perceptibly slowed.

So, where do you come out? If you have a steady job with year-to-year pay increases of more than 1½ percent, you come out ahead. Your "real" purchasing power is continuing to increase an average of 2 percent a year.

As a housewife, you also can come out ahead if you shop with moderate care. Taking advantage of the food specials and bargain sales in reputable stores can cut big chunks from your expenses.

We cannot ignore the tragedy of the millions who are unemployed and the millions who are wholly dependent on small, fixed pensions. These challenges we must meet.

But for the vast majority, 1963 is shaping up as another good year.

## THE CUBAN SITUATION

Mr. MILLER. Mr. President, I am sure the Record will reveal that I have refrained from making any extremist type statements on the Cuban situation, but I have been sitting here long enough to have heard some of the comments made about some of the positions of the Republican Party. I wish to say, speaking as only one Member on the Republican side of the Senate, I wholeheartedly endorse the principle of a bipartisan foreign policy and particularly with respect to Cuba. I also point out that we do have a bipartisan foreign policy with respect to Cuba. That is not the problem.

The problem is that while we have a bipartisan foreign policy with respect to Cuba, and the Republicans and Democrats alike are joined together on it, one reason why the Republicans and a good many of the Democrats, I might point out, are unhappy about the situation is that we have not had an implementation of that policy. Until we have an implementation of the policy, I fear and regret this is going to be an issue.

I thank the Senator.

Mr. COOPER. Mr. President, I know I share the feeling of all those who heard the majority leader. We commend him upon the dispassionate and objective critique that he has made of the speech of the junior Senator from New York [Mr. KEATING]—the speech which he is now making before the American Society of Newspaper Editors. It is characteristic of the majority leader's fairness.

The speech of the majority leader has meaning because, in the last few weeks and months, there has been some criticism, which I believe unjustified, of the junior Senator from New York because he has made from time to time comments and recommendations regarding our policy in Cuba. I know that on several occasions, after hearing his speeches or reading them, I have said on the floor that I have considered his speeches to be constructive, informative, and useful. They did not bear the mark of a "war hawk" or, as the majority leader has said, "war whooper."

I know that a great many of us feel strongly that bipartisanship in foreign policy is essential, particularly in regard to issues which bear upon the security of the country.

Bipartisanship is always difficult to describe. I know I have attempted to do so several times. I believe it means we should be mutually thoughtful, constructive, moderate, just, and fair in our discussion of these issues, and have the knowledge that when a decision is made at last by the President of the United States, we must support him, and support him gladly.

I think it is also agreed there should be an opportunity, under bipartisan policy, to discuss these matters and discuss them fully.

I know we remember, at the time of the crisis last fall, the great concern we felt when we were briefed and knew the country might be very close to war. There was deep concern among the people of the country, and we stood by the President when he made his courageous decision.

What happened at that time points up the danger of the continuing situation—one which under certain circumstances might again lead to war.

What has troubled me, and I think it has troubled a great many people in this country, is the feeling which the Senator from New York mentioned a while ago—a feeling of uncleanness, a feeling that the policy or goals of the administration on Cuba are unclear, unclear to the people, difficult as is the problem.

I believe the Soviet presence in this hemisphere is really the issue which troubles the people. It is their presence in Cuba which gives power and authority to Castro. It is troubling not only because it establishes a base for arms and subversion, but also because it gives strength and force and support to Castro and to Communist elements throughout this hemisphere.

I consider that a goal which the people of our country would understand, and one which is rightful, is the continued insistence by the administration that Soviet Russia must withdraw its troops. For if circumstances develop because of their presence which provoke or increase the danger to our security, we might again have to face the issue which the President faced last fall.

Now I wish to ask the majority leader a question, and I speak with knowledge and understanding of the problems facing the President of the United States—a man whom we knew in the Senate, whom we respected then, and respect today. I have no doubt that the President is trying to bring about the removal of Soviet troops. It was stated last fall, and on many occasions since, that Soviet Chairman Khrushchev said the Soviet troops would be withdrawn.

If it is a matter of which the majority leader has cognizance, and on which he can speak out, I would like to know if that was his understanding.

Mr. MANSFIELD. Mr. President, may I say to the distinguished Senator from Kentucky that that was the understanding of the Senator from Montana, and still is his understanding. However,

I would point out that, to the best of my knowledge, no date certain was set when they would be taken out of Cuba; and, to the best of my knowledge, the President's statement to the effect that there are approximately 12,000 Soviet troops and technicians remaining in Cuba, from a high of 22,000 last October or November, is approximately correct.

The Senator from New York [Mr. KEATING] cites the figure 17,000. I do not know what the source of his information is, except that he does refer to naval personnel as having informed him on some subjects. But certainly, if the President of the United States cannot depend on the Director of the Central Intelligence Agency, who in turn is alert not only to intelligence which his own Agency furnishes, but that which is furnished by other intelligence groups in our country, then I do not know on whom he can depend. I personally am prepared to take the President's word, and I do so wholeheartedly and unquestionably.

The Senator from New York has said we should not play the numbers game. He cites the figure 17,000. He refers to the administration figure of 12,000 or 14,000. He brings in 20,000 somewhere. I agree with him that we should not play a numbers game, but we should recognize that our intelligence agencies in this country are adequately staffed with personnel and adequately financed, so far as money is concerned, and these are the agencies which must furnish the administration in power—or any administration—with the best intelligence at their disposal. Only on that basis can the Chief of the Nation, the President, and the National Security Council operate the plans and work out the problems which concern them.

Mr. COOPER. I have never questioned the authority of the President.

Mr. MANSFIELD. The Senator from Kentucky has not.

Mr. COOPER. I have always assumed the President and the Government have more sources of information and better means of evaluating information than has a Member of the Senate. I accept that as a fact.

Mr. MANSFIELD. If the Senator will yield, that was the assumption under which I worked even when Mr. Eisenhower was President of the United States. I think it is a good assumption to work under at all times, because the Congress has made adequate preparations to take care of the right kind of agencies to furnish the right kind of information to the persons who have the right to conduct the foreign affairs of this country.

Mr. COOPER. I have always assumed the thesis expressed by the distinguished majority leader, although these agencies can make mistakes. But I want to get off the subject of numbers, and emphasize the policy—the goal which the people of the United States will understand; one which is valid, and one which the majority leader has said, and I think correctly, can be bottomed upon the promise of Khrushchev. It is that our administration will do everything in its

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## EXPLANATORY NOTES

## STATUS

Status of projects is indicated as follows:

1. Project approved (grant offer made).
2. Project under construction.
3. Project completed.

Listed alphabetically by State.

## NAME OF APPLICANT

As listed in the project application.

## POPULATION CODE

Federal grants made on a basis of population:	
1. Less than 2,500	6. 50,001 to 125,000
2. 2,500 to 5,000	7. 125,001 to 250,000
3. 5,001 to 10,000	8. 250,001 to 500,000
4. 10,001 to 25,000	9. 500,001 and over
5. 25,001 to 50,000	



CUBA

Mr. MANSFIELD. Mr. President, when I turned on the radio this morning I was greeted with the announcement on the news broadcast that "KEATING Strikes Again."

Naturally I was interested. I always wonder what is happening when one of my colleagues strikes. In the broadcast, I was informed that the distinguished junior Senator from New York [Mr. KEATING] was going to make a speech on the Cuban situation before the American Newspaper Publishers Association today.

I have had an opportunity to read the speech of the distinguished Senator, and I find it is a well prepared speech, and that in many respects it is a most constructive speech.

There are areas in which I would disagree with the junior Senator from New York. However, by and large I believe that he is making a distinct contribution to a better understanding of the situation which confronts us all, regardless of party affiliation.

In reading the speech of the distinguished Senator from New York, I note that he says, on the first page:

It is foolish for anyone to pretend that there are easy answers to the Cuban problem. There are not now. There never were.

I agree with that statement completely.

Then he continues:

The candidates in every national campaign—when interest in public affairs is at its highest—do a great deal to confuse and mislead the public by excessive promises of solutions, results, and changes.

I would suggest there that in addition to the word "national," he might use "State, district, local, and county campaigns." I say that because it is not confined to presidential campaigns, as I assume that is what the Senator is speaking about, and in the past tense.

I would say it would be more accurate to include all kinds of campaigns.

On the second page the Senator states:

In my own judgment, both major parties have made serious blunders in Cuba and must share responsibility not only for the conditions which now exist, but for the lack of any consistent policy for coping with them.

## DESCRIPTION

Description of the project as outlined in project application:

- |   |   |
|---|---|
| 1. Treatment plant  | 6. Treatment plant and outfall sewer            |
| 2. Outfall sewer  | 7. Treatment plant and intercepting sewer       |
| 3. Intercepting sewer                                     | 8. Outfall sewer and intercepting sewer         |
| 4. Other  | 9. Waste stabilization ponds with appurtenances |
| 5. Treatment plant, outfall sewer, and intercepting sewer |   |

## TYPE CONSTRUCTION

Type of construction as described in the application:

- |                                  |                             |
|----------------------------------|-----------------------------|
| 1. New                           | 5. New and extension        |
| 2. Extension or addition         | 6. New and remodeling       |
| 3. Remodeling and alteration     | 7. Extension and remodeling |
| 4. New, extension and remodeling |                             |

## ESTIMATED COST OF PROJECT

Estimated project cost in which Federal grant funds are participating.

## FEDERAL GRANT ORDER

Amount(s) of the Federal grant(s) offered to the applicant. Accelerated public works grants are always identified. Water pollution control grants are identified as such only when a project has also received an APW grant.

## PROJECT APPROVED

Month and year in which the project was approved and the offer of a grant was made to the applicant.

I would agree with that statement.

The PRESIDING OFFICER (Mr. JAVITS in the chair). The time of the Senator has expired.

Mr. MANSFIELD. Is there further morning business?

The PRESIDING OFFICER. If there be no further morning business, morning business is closed. The Senator from Montana is recognized.

Mr. MANSFIELD. On the second page the distinguished Senator from New York states:

In developing a common policy, we must start with agreement on certain premises. I see no useful purpose to be served, therefore, by recriminations over past mistakes. The only hope for bipartisanship on Cuba, in my judgment, is for our political leaders to leave the past to historians and devote their energy to devising a common policy for the future.

Again I thoroughly agree with the distinguished Senator from New York.

In the next paragraph he states:

The first lesson of Cuba is that—

Let me say parenthetically that it seems rather strange for me to be making this speech before the Senator from New York has even had an opportunity to make his speech before the Newspaper Publishers Association.

The Senator states:

The first lesson of Cuba is that we must concentrate our attention on the key pieces, not the pawns of the cold war struggle. Khrushchev is the problem in Cuba, not Castro. Castro himself is no more of a menace to the United States than any other Latin American dictator, past or present, who has put his own personal megalomania and position ahead of the welfare of his people.

Well, Mr. President, I would not give the chief credit to Mr. Khrushchev, that he is the real problem in Cuba. I would go a step further, and, instead of dissociating Castro from Khrushchev, I would lump them both together, because they are made of the same cloth.

In the next paragraph the Senator states:

The missile crisis showed that there were limits to our forbearance, but of late we have also given the impression that under some circumstances we will take steps to protect the Communist establishment in Cuba.

Mr. President, I would agree with the first part of that statement, that there are limits to our forbearance. However, I certainly disagree with the second part of the statement, that "of late we have also given the impression"—he does not say that we are doing it, but that we have "given the impression that under some circumstances we will take steps to protect the Communist establishment in Cuba."

Nothing could be further from the objective of this administration.

Then on the next page the distinguished Senator from New York says:

Those who say we must deal with communism in Cuba by concentrating all our efforts on social and economic problems in Latin America, however eloquent they may be and however worthy and necessary such efforts may be, just aren't fully facing up to the facts.

That is a questionable statement, because, if I recall the historical background of the Alliance for Progress, it did not state that a concentration of efforts under the Alliance or under any other program would cure the social and economic problems of Latin America.

I think the emphasis was that the "cure" so-called, would have to be administered by the nations themselves, and that all that our country could do would be to help on the periphery.

I emphasize, however—and I think history—even modern history—will bear this out—that there are Castro columns in many countries in Latin America, and that if something is not done by the countries of the hemisphere to help themselves, along with the peripheral assistance from us, those Castro columns will take advantage of the difficulties, such as hunger and poverty, which will make themselves felt and are even now making things extremely difficult for the governments now in power.

In the next paragraph, the Senator from New York continues:

I have supported the Alliance for Progress in the past and expect to continue to do so. But the Alliance can no more be relied upon as a complete cure for Communism in Latin America than a few additional public works projects would be regarded as a complete cure for unemployment in our own country.

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ment is, and has been, exploring all avenues of approach to an effective amelioration of a worrisome and complicated problems." At the same time, it ought to be made clear that if all attempts at regional arms control fail, Israel will get the help it needs and not just snappish lectures about worrisome and complicated problems.

## FEDERAL WATER POLLUTION CONTROL ACT—MONTANA

Mr. MANSFIELD. Mr. President, the Federal grant-in-aid program has been one of the most beneficial aspects of our Federal system. Through various grant-in-aid programs the Federal Government has come to the aid of cities, communities, and institutions by supple-

menting local funds, participating in local betterment projects, and making technical and planning services available. The Federal agencies have stepped in where others have not been able or willing.

Perhaps one of the most successful grant-in-aid programs has been the Federal Water Pollution Control Act. Since the beginning of the program in 1957 and up to the end of March of this year 67 projects have been approved in Montana. Grants under the program totaled \$3,750,311.56 during this period. These funds aid local pollution projects costing in excess of \$15 million. These projects have benefited 309,625 Montanans, and 933 miles of streams in the Treasure

State have been improved because of this program.

The Water Pollution Control Act has provided incentive and the means for improved sanitation, improved water systems, and clean streams. Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks in the CONGRESSIONAL RECORD a tabulation of individual projects approved in Montana. It is an impressive documentation of a Federal-State program which has been of tremendous service to the people of Montana.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

*Addendum to project register, Dec. 31, 1962*

Status	Location	Name of applicant	Population code	Description	Type construction	Estimated eligibles	Federal grant offer	Month
<b>MONTANA</b>								
1	Belt.	City of Belt	1	9	1	160,856	\$48,250.87	May 1962,
3	Big Timber	City of Big Timber	1	9	1	53,893	10,167.89	January 1958,
1	Bigfork	Flathead County Board of County Commissioners	1	5	1	217,191	38,571.43	July 1962,
3	Billings	City of Billings	5	3	1	388,157	101,447.24	March 1957,
3	do	do	1	1	2	410,000	123,000.00	March 1963,
2	do	do	5	3	1	623,064	150,518.80	May 1961,
3	Boulder	Montgomery State Training School	1	9	1	87,740	26,322.03	October 1958,
3	Box Elder	County of Hill	1	9	1	31,792	8,537.55	January 1960,
3	Bozeman	City of Bozeman	4	1	2	34,373	10,311.98	October 1960,
2	do	do	4	3	2	62,245	18,673.46	October 1962,
2	do	do	4	3	2	85,681	25,704.22	June 1962,
3	Brigger	Town of Bridger	1	9	1	25,574	7,872.27	April 1960,
1	Butte	Metropolitan Sanitary Storm Sewer District 1	0	3	1	1,118,877	250,000.00	November 1957,
3	Cascade	Town of Cascade	1	9	1	50,248	15,074.40	April 1961,
3	Colombus	Town of Columbus	1	9	1	105,748	31,724.32	September 1961,
3	Culbertson	Town of Culbertson	1	9	1	46,060	13,818.60	May 1957,
2	Cut Bank	City of Cut Bank	2	9	1	200,971	60,281.20	August 1957,
3	Deer Lodge	City of Deer Lodge	2	9	1	212,492	63,747.60	July 1958,
3	Dodson	Town of Dodson	1	9	1	25,440	7,632.00	August 1957,
3	Drummond	Town of Drummond	1	9	1	43,272	12,981.49	April 1960,
3	Eureka	Town of Eureka	1	9	1	68,687	20,606.22	October 1959,
3	Fort Benton	City of Fort Benton	1	9	1	129,057	38,717.22	Do,
3	Fromberg	Town of Fromberg	1	9	1	45,200	13,860.00	April 1960,
3	Geraldine	Town of Geraldine	1	9	1	12,546	3,763.99	March 1957,
3	Glasgow	City of Glasgow	2	9	4	145,167	43,550.02	October 1958,
3	Glendive	Valley County Improvement District 2	3	9	1	15,000	4,500.00	April 1962,
3	do	Rural Improvement District 1	1	9	1	83,163	24,948.80	May 1958,
3	Great Falls	City of Great Falls	3	9	1	428,046	128,413.71	February 1959,
3	Harlowton	City of Harlowton	5	5	1	1,020,011	250,000.00	October 1958,
3	Helena	Vocational school girls	1	9	1	47,049	14,384.61	April 1958,
3	do	City of Helena	4	5	1	40,309	12,092.68	October 1959,
1	Hingham	Town of Hingham	1	9	2	512,000	182,600.00	April 1958,
1	Joplin	City of Joplin	1	9	1	5,500	1,650.00	November 1962,
3	Kalispell	City of Kalispell	3	1	7	41,110	12,333.00	January 1962,
1	Kevin	Town of Kevin	1	9	1	217,070	65,120.95	August 1958,
2	Laurel	City of Laurel	2	7	4	61,293	18,387.77	April 1960,
1	Libby	Lincoln County SID	1	9	5	451,058	135,317.37	October 1960,
3	Livingston	City of Livingston	3	5	5	736,248	220,874.40	February 1963,
3	Malta	City of Malta	1	9	1	436,128	130,838.37	October 1959,
3	Manhattan	Town of Manhattan	1	9	1	131,300	39,408.07	September 1957,
3	Miles City	City of Miles City	3	9	1	50,790	15,236.97	April 1960,
2	Missoula	City of Missoula	5	1	1	248,540	74,561.91	October 1960,
2	do	do	5	1	1	1,183,976	355,193.06	March 1962,
2	Philipsburg	Town of Philipsburg	1	9	5	1,085,392	325,617.60	Do,
3	Plevna	Town of Plevna	1	9	1	87,520	26,256.80	September 1961,
2	Polson	City of Polson	1	9	1	19,973	5,602.14	July 1957,
1	Poplar	City of Poplar	1	9	1	243,000	72,900.00	January 1960,
3	Richey	Town of Richey	1	9	1	64,760	16,428.00	May 1962,
2	Roberts	Carbon County Board of Commissioners Improvement District 3	1	9	1	29,685	8,905.64	March 1957,
1	Ronan	City of Ronan	1	9	1	35,281	10,584.33	February 1962,
3	Shelby	City of Shelby	2	9	1	192,000	57,600.00	January 1963,
3	Sheridan	Town of Sheridan	1	9	1	91,137	27,341.21	May 1968,
3	Sidney	City of Sidney	2	9	1	70,326	21,067.84	April 1958,
1	Stanford	Town of Stanford	1	9	1	127,054	38,116.17	March 1959,
3	Stevensville	Town of Stevensville	1	9	1	26,400	7,920.00	November 1962,
3	Three Forks	Town of Three Forks	1	9	1	32,779	9,833.61	November 1959,
3	Townsend	Town of Townsend	1	9	6	87,000	26,100.00	July 1960,
1	Twin Bridges	Town of Twin Bridges	1	9	4	48,851	14,655.12	May 1958,
3	Twin Bridges	Montana State Children's Home	1	9	1	91,511	27,453.29	July 1962,
3	Valier	Town of Valier	1	9	1	40,871	12,261.30	September 1957,
3	Warm Springs	Montana State Hospital	1	9	1	38,254	10,576.20	August 1959,
3	White Sulphur Springs	Town of White Sulphur Springs	2	5	1	128,897	38,669.10	Do,
3	Whitefish	City of Whitefish	1	9	1	64,540	19,362.05	September 1957,
3	Whitehall	City of Whitehall	2	5	1	350,000	105,000.00	October 1960,
3	Winfred	Town of Winifred	1	9	1	79,426	23,827.40	November 1959,
3	Wolf Point	City of Wolf Point	2	9	1	28,585	7,069.61	January 1960,
						78,954	23,686.29	May 1958,

Footnotes on following page.

I am delighted that the Senator from New York will continue, as I knew he would, his support of the Alliance for Progress in the future, but again I reiterate that we know that neither the Eisenhower administration, which started the Alliance for Progress, nor the present administration, which continued it, has stated that the Alliance for Progress would be a "complete" cure for Castroism in Latin America or anywhere else. Continuing, the Senator from New York says:

While I do not regard the recent outburst of refugee hit and run attacks on Cuba as a very promising or effective remedy for Castroism, these outbursts mirror the frustration and confusion that has overcome our Cuban friends.

I would agree with that statement in all details, as I suppose every other Member of this body would, too. Further down on page 3, the Senator from New York refers to what he calls the fourth lesson of Cuba. I should say, after reading the paragraph beginning his discussion of the fourth lesson of Cuba, that what the Senator has said there and in the succeeding paragraph would meet with the approval of all Senators. On the next page, on the same point, he says:

On this same point, I also understand from Navy personnel that in spite of the surveillance we are conducting to make sure that weapons, personnel and other tools of subversion are not clandestinely shipped out of Cuba, some Navy ships have specific orders not to searchlight smaller vessels that are constantly moving in the Cuban and Caribbean waters at night.

I should assume that the information which the Navy personnel is disseminating would be available to the Chief of Naval Intelligence and would most certainly be available to Mr. John McCone, Director of the Central Intelligence Agency. I express the hope that there is no division or split among the various intelligence agencies which are supposed to combine their findings and report them to the Director of the Central Intelligence Agency, who in turn, after an analysis, is supposed to bring the intelligence before the National Security Council and the President for their consideration. Continuing, the Senator from New York states:

The Soviets will continue to advance, to test us, to apply Communist pressures on the frontiers of the free world wherever and whenever they think they can gain by it.

That is true. Continuing, the Senator from New York states:

It is up to us, not to tell them to stay home, but to make it so unpleasant for them that they will come to that conclusion on their own. We cannot tell them what to do. We have to prove to them that there is nothing else they can do. That is what we did in October, but we have not done it before or since. Until we convince them that these excursions—and incursions—are a part of a "travel now—pay dearly" plan on their part, we are inviting them to continue planning their all-expense tours to this hemisphere.

Well, what program does the Senator from New York propose that the administration enforce in carrying out what

he suggests in that respect? In the next paragraph the Senator refers to his 14-point program. I believe that that program, either in whole or in large part, has been elucidated on the floor of the Senate. I believe also that the Senator from New York stated that this program had been given to the Director of the CIA, Mr. McCone. I am glad to note that later in his speech the Senator from New York mentions that he has been in fairly close contact with both Mr. McCone and Secretary of State Rusk. In his speech, the Senator states:

After all, nothing is older and more traditional than a naval blockade as it was applied by the President in October. Although I do not favor such action now, that so-called quarantine was one of the standard tools of the 19th century diplomacy. We made it work again, against a 20th century threat by using our own 20th century enforcement ability.

I am glad that the Senator from New York is so emphatic with respect to where he stands on the question of a naval blockade at this time. On the next page of his speech, the Senator from New York states:

For instance, I see little to be gained in engaging in any numbers game with regard to Soviet troops in Cuba.

But then the Senator states:

But, according to my information, since the withdrawal of the technicians who accompanied the MRBM's and IRBM's and bombers in mid-November, there has been no substantial reduction of Soviet military personnel in Cuba. There were and are in the neighborhood of 17,000 men there.

He compares those figures with the figures given out by the administration, and then states:

Frankly, however, I don't think the basic problem in Cuba is affected substantially by whether there are 17,000, 14,000, or 20,000 Russian troops in Cuba.

I point out—and it is, of course, public information—that the statement made by the administration as to the number of troops and technicians in Cuba was made on the basis of information furnished by Mr. John McCone, Director of the CIA. Mr. McCone, in turn, got his information from the combined intelligence agencies which make up an aspect of this Government's security arm. I believe also that Mr. McCone, Mr. McNamara, and the President have all stated that they were not in a position, and could not be in a position, to give hard and fast figures as to the number of troops that were in Cuba, and that what they gave to the appropriate congressional committees, to the people of the country, and to the press, was their best estimate based upon the best intelligence they could compile..

Later in his speech the Senator from New York states:

The sixth lesson I draw from the Cuban situation is that while disagreements are inevitable, attempts to discredit the motives and sincerity of every critic are bound to contribute to disunity.

I certainly would not find it difficult to appreciate what a critic of this administration has said, provided that when he criticized, he did so in a con-

structive manner and offered something in the way of possible alternatives. I am happy to say that so far as the Senator from New York is concerned, he has, by and large, always been constructive. He has presented ideas and made suggestions. I wish I could say the same for other critics of the administration, who can find disagreement with everything but nothing constructive to replace it. The junior Senator from New York also says:

Yet our own officials often, dangerously often, are more concerned to discredit their critics than to use the national concern as a powerful part of their diplomacy. This national conviction and determination should be one of the diplomatic strengths of a representative form of government. Instead one gets the impression that it is regarded as an embarrassment, that many would rather defend the status quo, whatever it is, than try to alter it. Again and again, the flashes of anger, the outbursts and the concentrated attacks of our top officials are directed not at the Communists, but at those who are worried over the present situation and working, and fighting to defend the very same ideals to which we are or should be publicly committed.

Let me say that I, as one Senator, certainly would not approve of any attempt to bring discredit upon any Senator or any other American, either in or out of Congress, for expressing the right to disagree. I think that is an inherent American right. I would qualify that only to this extent, again, as I have previously done—namely, that when criticism is made, I would hope it would be constructive.

Toward the end of the speech, the Senator from New York [Mr. KEATING] made it clear that he has had opportunity to meet both with Secretary Rusk and with Mr. McCone, the Director of the CIA, on Cuba, and that he has the impression that his recommendations have been given serious consideration. In fact, I am sure they have.

The Senator from New York stated:

In fact, while many points of my program, obviously, have not been implemented, a number of measures have been taken by the Government in recent months, paralleling some of my proposals for an economic squeeze on the Communists. While I certainly have not been consulted in the formulation of the policies—nor is there any reason why I should have been—the attitude of both Secretary Rusk and CIA Director McCone was entirely constructive and from a personal point of view, very encouraging.

I think that is a sound statement and a statesmanlike comment.

And toward the end of his speech, the Senator from New York said:

In my judgment, a consensus of the American people can be developed in support of a firm and realistic program designed to drive the Communists from Cuba. This consensus would be reflected by a return to bipartisanship in the spirit of the Vandenberg era. What this will require, as I have tried to point out in my remarks, is better communication, a sharing of responsibility for the conditions which exist in Cuba, a more candid disclosure of facts to the American public, confidence that leaders in either party will not attempt to make political capital out of success or failure in Cuba, and the articulation not of an easy, but

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of a clear and consistent program of action.

I wish to say that, by and large, I agree with what the distinguished junior Senator from New York said. There are points of difference; but his is the kind of speech which I think is constructive in large part and can be considered a contribution to a better understanding and a better facing up to a difficulty which confronts us in this hemisphere.

Mr. President, at this moment the distinguished junior Senator from New York [Mr. KEATING] is delivering a major address on the Cuban situation—or, more accurately, on our Government's response to that situation—to the American Society of Newspaper Editors. The major purpose of his speech is to define and examine the concept of bipartisanship in foreign affairs, as it has developed in recent years, and as it relates to Cuba.

In this speech the Senator from New York very rightly calls bipartisanship "a means of strengthening the role of the United States in its international and diplomatic ventures." He says it represents "a symptom of the consensus shared by the American people on foreign policy issues." He says:

Communist Cuba is an obvious case on which no clear consensus of opinion exists.

In part, that is clearly true.

Mr. President, in our country there are voices—Walter Lippmann calls them "the voices of the warwhoopers"—who call for an immediate invasion of Cuba. Some of them would have us participate in such an invasion, and some believe the job could be done by other countries in the Organization of American States. The Senator from New York [Mr. KEATING] is not one of those "warwhoopers." As he says in his remarks, he opposes a blockade now, and has always opposed an invasion.

But there are other voices, even in high places, who insinuate that the administration has "appeased" the Soviets in the Cuban affair. But, Mr. President, as the Senator from New York says about "easy answers to the Cuban problem"—

The course of events in Cuba shows how unwise and dangerous such campaign oratory is, and I hope it will serve as an object lesson as to the need for restraint in future political contests.

Mr. President, I am reminded of the visit of the Governor of the great State of New York to the Capital of the Nation during the past week, and I am reminded of some of the things he said and some of the insinuations he made and some of the peculiar comparisons he made. He did not in my opinion, speak in a statesmanlike manner on the Cuban issue while he was here—in contrast to the way in which the Senator from New York [Mr. KEATING] is today addressing the American Society of Newspaper Editors.

Other voices are calling for "unleashing" the Cuban exiles on our shores, no matter what consequences that might have on the conduct of U.S. foreign policy in the area. Again, the Senator from New York [Mr. KEATING] is not among those voices.

We do hear the voice of the Senator from New York [Mr. KEATING] asking for a forthright and firm policy aimed at the elimination of the Soviets from Cuba. In other speeches he has presented a plan for economic action against the Communists in Cuba—a plan which seemed to me to be directed not so much against the Soviets as against Cuba itself. But the Senator from New York [Mr. KEATING] says that a Castro Cuba, with the Russians absent, would be more an object of pity than an object of fear. What concerns him is the continued existence of Soviet forces in Cuba. He calls for firm action by the President. The Senator from New York says he believes this strengthens the President's hand, and does not undermine him "as do cries for caution, more accommodation," and so forth.

At this point, Mr. President, I may suggest that the voice of caution is not to be abhorred, even in connection with the Cuban situation. Voices, such as that of the Senator from South Dakota [Mr. McGOVERN], which call for an end to our obsession with Cuba as the only matter of consequence in Latin America, should be listened to. Anyone who believes that the excision of the last Russian from Cuba will "cure" the problem of Latin America, is indeed a dreamer.

It is part of the duty of responsible Government officials not only to urge firm action against obvious dangers, but also to caution the people against self-delusions of that kind.

I share the faith of the Senator from New York [Mr. KEATING] in the wisdom of bipartisanship in foreign affairs. As he says, he has had numerous meetings with officials of the State Department and the CIA over the Cuban matter. The Republican leadership in Congress has been kept informed of developments. Ultimate responsibility for the conduct of our policy vis-a-vis Cuba rests, of course, with the President.

I should like to point out, in following up what the distinguished Senator from Florida said earlier today, that there are other suggestions which might be considered, in addition to the setting up of a government-in-exile to which recognition might be extended by this country.

But let me say that recognition of a Cuban government-in-exile should be seriously considered only when the various anti-Castro groups get together under a responsible and recognized leadership. That is not the case today, because, as I understand the situation, there are at least 12 major groups of anti-Castro Cuban refugees, and there are many more smaller groups. If there is to be a possibility of recognition of a Cuban government-in-exile, solidarity and real accommodation and real leadership must be forthcoming.

In addition to giving serious consideration to the recognition of a Cuban government-in-exile, I think consideration might well also be given to a hemispheric quarantine of Cuba, on the model recommended by the Organization of Ameri-

can States in imposing economic sanctions against the Dominican Republic in 1960, and that ways should be found to prevent the training of propagandists between Cuba and Latin America—both ways—and in that way to lessen contacts between Communist leaders and parties in Latin America with their counterparts in Cuba.

The OAS should not only proclaim principles and adopt resolutions, but should also take the leadership in a matter which is not only a U.S. problem but a hemispheric problem as well. The authority exists in the Organization of American States if its members wish to exercise it.

I would hope that we would not become so involved in any one particular problem that we would lose sight of the other problems which confront the President of the United States. Of course, he must consider Cuba. He does give it prior consideration. He must consider the rest of Latin America, Western Europe, the emerging African situation, the situation in the Middle East, the difficulties which confront us now in southeast Asia, and most especially in Vietnam, and possibly in Laos. He must consider also the situation as it affects the 7th Fleet in our relations with Taiwan; the situation in Korea, which is far from settled, because there all we have is a truce and an uneasy one.

This man who is President of the United States, who is criticized so often and so easily by so many, not only must consider the foreign policy of our country in at least a dozen areas, if not more, but he also must consider the domestic policy of our Nation. Problems are brought to his attention day after day after day by people who do not have to make the decisions. They can make speeches. But there is only one man in our country who has final authority and responsibility under the Constitution in the field of foreign policy. That man is the President of the United States. He has it whether he is a Democrat or a Republican President of our country.

What he needs is support. I hope that regardless of party, that support, based on sound and good bipartisanship, will be forthcoming, because the President is one man in this Nation who needs that kind of backing.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. New York seems to be very much in the news this morning and in the forefront of the Senator's mind. Since I am at the moment New York's sole representative on the floor of the Senate, I hope the Senator will allow me a minute to speak.

Mr. MANSFIELD. I am delighted, because I have some more information on New York if the Senator wishes to bring it up.

Mr. JAVITS. I think that what the Senator has said about my colleague [Mr. KEATING] will be very much appreciated by him. I gather that the general thrust of the Senator's feeling is that the remarks of my colleague [Mr. KEAT-

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ING] represent on the whole an exercise of bipartisanship in the development of our policy in Cuba in a responsible way.

I appreciate what the Senator has said about the President's burden. I have just been through a very intensive campaign in New York, where 10 percent of the Nation's population live. I know of nothing in the foreign policy field, and though I am not too happy about it, I am almost tempted because I feel so strongly about the civil rights issue, to say that it is probably the paramount issue, both foreign and domestic. It gives the American people a deep sense of malaise that there is something wrong about what is going on in Cuba. Americans desire very much to find a course on which they can feel more secure on Cuba.

They not only feel that the situation in Cuba is very dangerous, since that country is so close to our shores, but also in a personal sense, too, they believe that it is a very serious source of infection for the whole Western Hemisphere.

We talked about the Marshall plan and NATO to deal with the Communist threat to Europe. I believe the American people were never more cognizant of the fact that the Communist threat is right here at home. Perhaps every policy, economic as well as military, may have to be revised to take care of the Cuban situation.

It is very understandable to me, therefore, that my colleague has addressed himself in such a thorough way to it. That he was proved right last fall is now a matter of history. Therefore, I am glad to note that his words are being listened to with the respect that they deserve. But I emphasize to the Senator that those of us who talk about Cuba are impressed with the way it appeals to the people we represent and how it appeals to our sense of urgency and concern. It is fair to say that they consider it the No. 1 security issue before them.

As to the constructive aspects, I join with the Senator, as does my colleague [Mr. KEATING], in a bipartisan effort to strip this whole discussion of partisan aspects or partisan advantage. I have noted the important points which the Senator has made which would represent affirmative American policy.

I should like to make two observations to the Senator.

First, I believe what is disquieting the American people more than anything else is that they do not know accurately what commitments, if any, President Kennedy has made to Chairman Khrushchev. They do not know whether there is any vestige of a commitment with respect to Cuba which does tie our hands. I do not believe that there is any. I so much respect the President's view and appreciate the delicacy of his position that I myself have not uttered words which would force him to disclose precisely whether there are any commitments. In the same way I have said that I support the President in his action regarding Cuban refugees at the present moment. I may not feel that way tomorrow if I think the situation has changed. But for the present I feel that he must be supported because he

is the man at the gun, and he has the best understanding of the delicacy of his situation.

As the Senator is commenting on the question, and since he is a man of such authority in respect to the administration, I desire to say that sooner or later the American people, to obtain some integration in their thinking about Cuba, need to understand that our hands are really completely untied in every conceivable respect in respect to any action we might feel called upon to take, whether it is a quarantine or anything else.

Our colleague, the Senator from Kentucky [Mr. COOPER], who is the present occupant of the chair, desired to be sure that we were free to reimpose the quarantine. I joined with him in his question.

The people wish to know—and they have a right to know—that we are completely free to take any action on Cuba necessary to our national interest.

The other subject I should like to place before the Senator is a question in relation to a security organization or a mutual defense organization in the Caribbean and Central America. Again recognizing the delicacy of the President's position, I do not wish to force any suggestion on him. I only point out that here is something critically important that could complement the idea that we keep a check on who goes in and out of Cuba. We should give the Central American and Caribbean countries a sense of strength in respect of resistance either to Communist subversion or infiltration from Cuba. I know very well the problems of Mexico. But I think even Mexico would be very much affected by the impressive demonstration of the willingness of Central America and the Caribbean nations to commit themselves to a mutual defense obligation. Those are two of the points which are not covered in the Senator's statement which I should like to submit to the Senator for his observation.

Mr. MANSFIELD. Mr. President, I do not believe I heard everything that the Senator said. But I believe he mentioned the fact that the President should have a free hand to decide what should be done under any circumstances. In other words, the President should have the same kind of flexibility in the conduct and carrying out of our foreign policy as the Senator has expressed his point of view in regard to his present position on the question of Cuban exiles and the hit-and-run raids on the islands of Cuba and certain Soviet ships.

"Freedom" is a pretty hard word to define in relation to an individual who has the responsibility which the President of the United States has. As I see it—and I am sure that the Senator will agree—the President cannot look at merely one piece on the chessboard, but must see the whole board and how all the pieces fit. What he may do in one part of the world will undoubtedly, in this day and age, have an effect in other parts of the world as a consequence.

The President does retain a degree of flexibility. When a situation arises which puts a different slant on a particular question, it has been the President's

policy, by and large, in his less than 2½ years in office, to call down the leadership and discuss many of his problems.

I see the acting minority leader, the distinguished Senator from California [Mr. KUCHEL], on the floor. He has been there on a number of occasions. His colleague the Senator from Illinois [Mr. DIRKSEN] has, also. The Senator from Iowa [Mr. HICKENLOOPER], the Senator from Massachusetts [Mr. SALTONSTALL], and other Senators on that side of the aisle, as well as their counterparts on the Democratic side, have been called on occasion. So I would say that, if we can intertwine the words "freedom" and "flexibility," that would be about the best way we could describe the responsibilities which must be administered by any President of this country.

Mr. JAVITS. Mr. President, if the Senator will yield further, I know that my colleague, the Senator from Iowa [Mr. MILLER], apparently is under some compulsion to catch a plane. Could we suspend this discussion temporarily, for I wish to continue it, so that the Senator from Iowa may be recognized?

Mr. MANSFIELD. Yes.

Mr. MILLER. Mr. President, I thank the distinguished majority leader and also my good friend from New York.

#### THE BALANCE-OF-PAYMENTS MIRAGE

Mr. MILLER. Mr. President, the American Institute for Economic Research, in its Research Reports dated April 15, 1963, explores again the question of "The Balance-of-Payments Mirage." It calls attention to the need for more definitive information from the Government on its policies regarding this vitally important matter. And it warns of the consequences of continuing deficit financing of international payments by the Government, asserting that "further tampering with the Nation's purchasing power could open the floodgates to the ravage of domestic inflation."

I ask unanimous consent that the article, entitled "The Balance-of-Payments Mirage" from the April 15, 1963, issue of Research Reports of the American Institute for Economic Research, may be printed in the RECORD.

The PRESIDING OFFICER (Mr. JAVITS in the chair). Is there objection to the request by the Senator from Iowa?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### THE BALANCE-OF-PAYMENTS MIRAGE

In the 1962 balance of payments of the United States the net value of all receipts for goods, services, long-term investments, and unilateral transfers was less than payments for the same items by \$1.3 billion. However, the Department of Commerce reported a deficit of \$2 billion.

The \$1.3 billion is a measure of the change in net short-term indebtedness of the U.S. Government and all residents of the United States. If the purpose is to show only the Government liquidity position, which appears to be the Commerce Department intention, that purpose should be stated more clearly than it usually has been. At present

the official definition of balance-of-payments deficit twists the transactions into a form that served this particular purpose. In doing so, it gives rise to uninformed proposals for elimination of the deficit.

In one sense the balance of payments is always in balance, like the balance sheet of a corporation. This is not an absurd idea to those who understand double-entry bookkeeping. Exports of goods, for example, are offset either by receipt of goods from abroad or creation of credit obligations. The credit obligations would appear in the balance of payments as long-term investments or short-term loans. In this way all payments offset all receipts, including settlements made by transfers of gold ownership for those who are able and willing to convert claims into gold.

The gold outflow from the U.S. Treasury in 1962 was \$890 million; in 1961, \$857 million.

In 1962 net short-term obligations to foreign countries increased \$445 million; in 1961 they decreased \$52 million (see table 1). This may be interpreted as a deterioration of our balance-of-payments position in 1962 by one-half billion dollars. Since these obligations included an increase in short-term loans to the U.S. Government, they represent deficit financing of international payments by the Government.

This may be compared with official reports of an improvement in the balance-of-payments deficit from \$2.4 billion in 1961 to \$2.2 billion in 1962.

Separating private transactions from Government transactions and Government-financed transactions in the 1962 balance of payments, we find that private receipts exceed private payments by \$879 million. When short-term loans are eliminated, the excess is \$1,441 million, a possible measure of balance-of-payments surplus on private accounts.

Table 2, which separates private transactions from Government transactions, is based on Department of Commerce figures. Although it is the best information available, nobody really knows exactly how much of private transactions results from Government grants and spending abroad. Although aware of these limitations, we are taking the official reports at face value for the purposes of this particular analysis.

Net private receipts from goods, services, and long-term investments were \$2,122 million more than private payments. Included in this figure are payments for private foreign investments of U.S. residents amounting to \$2,584 million. However, in seeking to improve the balance-of-payments position it would be shortsighted to restrict investments and lose future receipts from income on those investments.

Private exports of goods and services in 1962 topped private imports by \$4,460 million. Artificial devices to increase this trade balance, if successful, can lead to undesirable distortions in the American economy. Devaluation, unpegged foreign exchange rates, exchange controls, and protective tariffs are proposed solutions that fail to come to grips with basic causes.

Some urge that balance-of-payments deficits require either a domestic price decline or foreign exchange depreciation as a corrective. This reasoning may be more suitable when economic maladjustments are the cause of the balance-of-payments deficit. When political decisions are behind the problem, economic solutions are not in order.

Excluding gold exports, the Government's international payments exceeded receipts from those exports of goods and services that were directly financed by Government payments. Here is the crux of the balance-of-payments problem.

TABLE 1.—Changes in short-term indebtedness reflected in the U.S. balance of payments

	1962 [Millions of dollars]
Receipts:	
Net short-term foreign loans to U.S. Government	990
Sales of foreign convertible currency	17
Gold sales	890
Total	1,897
Payments:	
Net trade and capital payments	1,335
Net private U.S. short-term loans abroad	467
Net decrease in private short-term foreign loans to United States	95
Total	1,897
	1961
Receipts:	
Net increase in private short-term foreign loans to United States	1,552
Gold sales	857
Total	2,409
Payments:	
Net trade and capital payments	805
Net decrease in short-term foreign loans to U.S. Government	17
Purchase of foreign convertible currencies	115
Net private U.S. short-term loans abroad	1,472
Total	2,409

TABLE 2.—U.S. balance of payments<sup>1</sup>

	1962 [Millions of dollars]
Private receipts:	
Exports of goods and services	25,723
Net foreign direct and long-term investments in United States	246
Total	26,969
Private payments:	
Imports of goods and services	21,263
Net U.S. direct and long-term investments abroad	2,584
Private remittances to foreign countries	681
Net U.S. short-term loans abroad	487
Net decrease in short-term foreign loans to United States	95
Balance	879
Total	25,969
Government receipts and Government-financed receipts:	
Nondilitary exports of goods and services financed by Government grants and capital	2,798
Net short-term foreign loans to U.S. Government	990
Sales of foreign convertible currency	17
Balance from private sector	879
Gold sales	890
Total	6,574
Government expenditures:	
Net military expenditures	2,368
Nonmilitary grants	1,872
Pensions, etc.	243
Net payments for nonmilitary services	75
Net U.S. long-term loans abroad	16
Unrecorded transactions	1,000
Total	6,574

<sup>1</sup> Excluding exports of goods and services transferred under military grants and payments made on military grants of goods and services.

Maladjustments in the balance of payments due to political considerations do not lend themselves to correction by tampering with the motivating forces of a market-directed economy. A better approach is to apply corrective action to the Government sector of the balance of payments, where the problem originated.

The fact is that the United States has, by governmental actions, created much of the balance-of-payments deficit. The deficit was not created by the hand of God, or an unknd fate. They planned it that way. The problem could be solved in part by reversing the steps taken.

Any other balance-of-payments remedies will be self-defeating. Devaluation would destroy some of the value of foreign loans to the United States, nullifying our attempts to be the benefactor of those countries suffering dollar losses from devaluation. Moreover, further tampering with the Nation's purchasing media could open the floodgates to the ravages of domestic inflation. In one way or another this Nation must live within its means. If it is going to do so, we should protect the stability of the dollar and avoid other harmful consequences, including a serious loss of prestige throughout the world.

#### DEMOCRATS USE GUILE ON MONEY BILLS

Mr. MILLER. Mr. President, in the Washington Evening Star for April 15, 1963, there appeared an article entitled "Democrats Use Guile on Money Bills," written by Jack Bell, of the Associated Press. I believe the point made by Mr. Bell in this article merits attention by readers of the CONGRESSIONAL RECORD, so I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### GOP OUTFOXED—DEMOCRATS USE GUILE ON MONEY BILLS

(By Jack Bell)

Democratic congressional leaders have found a pinchback formula they believe will lessen the political impact of Republican economy demands and help gain passage of major administration bills.

Their formula is a simple one. They get committee approval of measures calling for a relatively high level of expenditures. When the bill is brought before the full membership for action, they support a Democratic amendment to reduce the amount while resisting all Republican efforts to cut deeper.

The Senate leadership followed this procedure in gaining passage of the administration's mass transit bill. A committee had put a price tag of \$600 million on the program. A floor amendment by Senator SYMINGTON, Democrat, of Missouri, trimming the total to \$375 million, was adopted and the bill was passed after all Republican proposals were beaten down.

Similarly, a youth-employment measure which had called originally for a \$100 million outlay was increased to \$120 million in committee.

When it reached the Senate floor, Senators PROXIMIRE, Democrat, of Wisconsin, and SYMINGTON got it reduced to \$100 million. Republicans got nowhere in efforts to trim it further.

The Democratic House leadership found itself in a dilemma when Republicans joined with southern Democrats in committee to

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in his own behalf that man has been able to live on earth in a civilized way."

What of possible alternatives to chemical pesticides?

Farming practices—plowing under crop refuse in which pests otherwise can survive over winter, use of crop rotation which breaks their food chain, and, where possible, planting at dates unfavorable for pests—are valuable but have not unfortunately, provided complete solutions.

Nor have resistant crop varieties. While many plants have been developed to resist specific pests, they may be attacked by other pests—and, after a time, even by new tough strains of the original pests against which they were bred.

Parasites and disease organisms have been introduced with some success. One notable example: use of imported beetles to combat the poisonous Klamath weed, widespread in California, has returned some 100,000 acres of land to useful production.

Sterilization clearly has possibilities. It is being used successfully in a campaign against the screwworm fly, which attacks livestock. Male flies treated with radiant energy from cobalt 60 are released in heavily infested areas. The sterile males mate with normal females. Eggs are produced but do not hatch. Since the female screwworm mates only once, the result is race suicide.

Along with radiation, more than 2,000 compounds have been under study for sterilant activity. Some have been found active for houseflies, mosquitoes and Mexican fruit flies. Although still experimental, there is reason now to believe, Dr. Alexej Borkvacs of the Agriculture Department's Entomology Research Division reported recently, "that chemosterilants will, possibly within the next decade, assume an important place in the control and eradication of many harmful insects and perhaps starlings, rats, and nematodes."

Recently, Dr. R. A. Harton of the Army Quartermaster Research and Engineering Command reported isolation of the sex attractant of the female cockroach, a substance so potent only a few molecules are sufficient to excite a male. "It may be used to control the insect by attracting the male to traps baited with it," Dr. Harton suggests. "As more insect attractants become known and available by synthesis, they can be expected to aid or even supplant existing methods of control."

Last December, University of Hawaii zoologists reported that 160 decibels of sound will kill a cockroach in 30 seconds and that male mosquitoes can be lured to an electrified screen by a device which imitates the noise of female mosquitoes wings. Although many practical obstacles remain to be overcome, the day may come, the researchers reported, "when a person could carry with him a little box about the size of a portable radio that would give off a sound, preferably ultrasonic, to drive insects from the area around him."

As of now, however, chemicals remain the mainstay. Many who worry about them clamor for more intensive efforts to develop practical, nonchemical methods of pest control. And perhaps one healthy result of the present controversy will be increased emphasis on, and financial support of, such research.

There could be other healthy results.

It seems clear that pesticides have made important contributions to human health and progress but that they can be dangerous when abused—and that they have been abused in the past.

It has been alleged that even some Government agencies have been callous in carrying out pest-control programs, failing to give enough consideration to hazards to animals and to how pesticides could be used with minimum risk.

In June 1961, before the present controversy erupted, a Federal Pest Control Review Board was appointed to scrutinize Federal agency programs. It points to some progress in promoting more refined and safer techniques—for example, substitution of spot treatment of breeding areas of grasshoppers and Mormon crickets in the West to head off incipient infestations, in place of widespread aerial spraying after pest populations have built up.

It has been suggested that the board be given definite authority by law to review, modify or veto pest-control programs proposed by Federal agencies. The special Pesticide Committee of the Federal Council for Science and Technology, set up in the summer of 1962 to review the whole problem of pesticides, may have something to say on this score along with making recommendations for other measures.

It has been suggested, too, that other States might well follow the lead of Massachusetts, which now has a pesticide board in the State department of public health with power to license aerial sprayers and others who apply pesticides commercially and to issue rules and regulations covering application of pesticides to protect public health, wildlife, waters and other natural resources.

But even the best legislation cannot solve the whole problem. Pesticides would seem to belong in the same category as automobiles—with great potential for good or harm, depending upon how they are used. And the present controversy, if it teaches not only farmers and pest-control operators but every home gardener and housewife to respect and use them with caution, will have served a very great purpose.

### *(Signature)* THE CUBAN SITUATION

Mr. SMATHERS. Mr. President, within the past few months there has been a preponderance of articles in our Nation's newspapers on the Cuban situation. Nearly every syndicated writer has devoted at least one column to this subject, and I would venture to say that there is hardly a daily newspaper in our country that has not expressed an editorial opinion on the matter.

Although the positions taken in these articles range from advocacy of a U.S.-led invasion of Cuba to a policy of temporary containment and coexistence, they all agree that Castro-communism cannot be permanently tolerated in the hemisphere and that something must be done to eradicate it once and for all.

This preoccupation over Cuba among our news media, not only in the abundance of printed words but also in the general tenor of the articles, I believe reflects two things. First of all, the American people are deeply concerned over Cuba and regard it as a serious threat to world peace. Secondly, because Cuba does not lend itself to an easy solution and because the problem has had such a long and unsatisfactory history, there is the feeling that somehow from the outpouring of words, the careful analysis of past events, and the calculated appraisal of future consequences and alternatives, someone might stumble upon an answer to this difficult problem.

Unfortunately, this has not been the case. Almost every article on Cuba that I have read in the past 3 months—and there have been many—goes to great

lengths to explain why the United States cannot and must not support an invasion from its shores and warns that a blockade of the island might lead us into a direct confrontation with Russia and perhaps nuclear war. And with these observations, I generally agree.

But is there not some course of action we can follow which, while avoiding a conflict of American and Russian troops, will provide a realistic and long-range solution to the Cuban affair? I believe there is.

On March 15 of this year I made a lengthy Senate speech on Cuba, in which I proposed that the United States recognize a Cuban Government in exile. I do not intend to expound on this proposal, as I am sure that my Senate colleagues who are interested in this idea can refer to the CONGRESSIONAL RECORD of the aforementioned date.

I would not be presumptuous enough to state that my plan provides the only possible solution to the Cuban situation. But I do submit that it has as its final goal the ridding from the hemisphere of Fidel Castro and communism, and proposes to do this with the least possible involvement of the United States.

Furthermore, it seems to me incumbent upon us to offer to the displaced refugees from Cuba—men and women who have been driven from their homeland because they refuse to knuckle under the Communist dictatorship—some source of hope. We must do more than pay lip service to the sacrifices which they have made for the ideals of individual liberty and democracy which we in this country extol. This must be done if we are not to suffer a tremendous loss of prestige in the eyes of the world. And it must be done to provide much needed inspiration to the Cuban refugees, lest they become completely disillusioned with democracy as a way of life and a form of government.

Furthermore, all Latin Americans must know that we mean what we say about communism; that, actually, not only will we make speeches about it; but also we will in fact oppose it and we will help others to oppose it, and that our opposition is total and unrelenting.

Anyone, I am sure, who has been reading the papers in the past few days will agree that our relations with the Cuban exiles in the United States have never been worse. While not having all the facts in the matter, or being in a position to make a judgment in the dispute, I do believe that the frustration and resentment which exists among the exiles is due primarily to the fact that they do not see any U.S. proposal being thought out, much less implemented, to bring about the downfall of Castro communism.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. SMATHERS. Mr. President, I ask unanimous consent that I may proceed for an additional 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMATHERS. Mr. President, let me make it clear that while the United States has a great stake in freeing Cuba,

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this is essentially a problem of the Cubans and the Latins. It is not the obligation of the United States to send a division of marines into Cuba, but I do believe that it is up to the United States to help develop an effective plan, a plan that places the major responsibility for the liberation of Cuba in the hands of the Cubans and Latins of Central and South America. In this way the final program undertaken would be one of Cubans versus Cubans, and Latins versus Latins.

Recognition of a Cuban government in exile, I believe, is the best way to make a start toward eliminating communism in Cuba from the hemisphere. Based in some Central American country and headed by Cubans, assisted by Latins, an exile government would necessarily require the material and financial assistance of the United States. But the manpower, the involvement of military troops—should that unhappy situation ever occur—and all the consequences of the use of arms, would rest collectively upon all the nations of this hemisphere, and not primarily upon the United States.

Because I believe in this program and think it should be afforded the consideration of those nations and peoples whose task it would be to implement this plan, I again recommend that a meeting of the Organization of American States be called for the purpose of submitting for their evaluation a proposal calling for recognition of a Cuban government in exile.

In suggesting this action, I am not attempting to force my idea for an exile government on the United States or any nation in the hemisphere.

I am happy to say, however, that since I first offered this proposal nearly 2 years ago, a number of spokesmen from Latin America, representing Latin American nations, have exhibited an interest and a desire to see an exile government for Cuba established.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SMATHERS. I ask unanimous consent to proceed for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMATHERS. In the Washington Post of April 15, Max Freedman, whose literary style and artistry in the use of the English language are unexcelled, mentioned in his column my idea for a Cuban government in exile. Although Mr. Freedman opposes this plan for several reasons, he states that it has gained some strength.

Mr. President, I ask unanimous consent to have included in the Record at this point the article by Max Freedman to which I referred.

There being no objection, the article was ordered to be printed in the Record, as follows:

**SOLUTION IN CUBA WILL NOT BE CHEAP—U.S. ATTITUDE TOWARD EXILES REFLECTS ABSENCE OF UNITY AMONG REFUGEES**

(By Max Freedman)

Gov. Nelson Rockefeller has deserved, and has received, a widespread rebuke for his slapdash and mean-spirited comments on the

Cuban problem. It is the beginning of wisdom, in everything that concerns Cuba, to resist the allurement of cheap solutions. This lesson is particularly true about the role of the Cuban refugees.

One must be strangely insensitive to the suffering of the Cuban people to look with anything but admiration and respect upon the determination of these refugees to overthrow the Castro regime. Many of these people know from cruel, personal experience the magnitude of the tyranny which has caught Cuba in its grip. All of them resent Cuba's inglorious drift into Communist servitude. They are ready to fight, and if necessary to die, for the redemption of their country. Their devotion is in the great tradition of freedom. Only a churl would question the credentials of their faith or remain skeptical about the ultimate triumph of liberty over despotism.

But idealism by itself does not make a policy. The harsh tasks which confront the refugees and the American Government require the most careful exercise of responsible judgment. They require the selection of the right men; the right objectives, and the right time. Otherwise the enterprise of Cuban freedom will flounder in failure.

There is a common impression, whose popularity does not atone for its error, that the Kennedy administration in some craven way has kept the refugee leaders from more resolute action. This version of recent events will be supported by no official in Washington who has been given a significant part in the shaping of Cuban policy. The administration, despite many contrary rumors, has vetoed or diluted no heroic program of unified action for the sufficient reason that no such program has been presented. It is dramatic but misleading to picture the Cuban refugee leaders as men afire with a noble purpose which they are unable to reach because of the awkward timidities of American officials.

It is closer to the mark to suggest that the refugees must still compose all their differences and agree on a policy that can be defended in terms of success and not merely in terms of splendid aspiration. Sweetening one's judgment with every measure of generosity, it is still necessary to say that the refugee leaders have not always been the wisest or the most farsighted counsellors on Cuban policy.

Perhaps it is unreasonable to expect this wisdom from men suffering such adversity. But here is one neglected element of the problem that deserves to be taken into account before the United States makes its next move in Cuban affairs.

Nor is it possible to ignore this problem when one weighs the risks and the gains of forming a Cuban Government-in-exile entitled to full and open support from the United States. This proposal, first advanced many months ago by Senator SMATHERS, Democrat, of Florida, had a dusty reception but it has gained strength, if only because of the failure of better ideas to emerge in the debate. More will be heard of it in coming weeks.

The history of governments in exile is not encouraging. Few of them ever succeed in becoming the real government of the country for a significant period. Think back to the days of the last war. A cluster of exiled governments took refuge in London.

They had access to the British and American governments. In some cases they had promises of political and military support. But in the main this comradeship was a delusion. Events went their own way, and the chatter of exiled leaders signified little. The most notable exception was General de Gaulle, and he, significantly enough, was always the exile who showed the greatest independence in his dealings with Washington and London.

Has this experience any meaning for Cuba

today? It has a direct lesson for the refugee leaders no less than for the American Government. The United States may blunder into a premature and avoidable risk if it sponsors a Cuban Government in exile now. It may choose the wrong men for such a government. There are other objections, but that one is enough to justify patient analysis before any final judgment is made. The Cuban leaders must ask themselves whether they would really wish to be thus identified, in public, as the clients and wards of the United States. That may not be the passage to power in Cuba.

The future of Cuba will be determined less by Washington or Miami than by what happens inside Cuba itself. The refugees and the American Government can succeed in their common task only if they place themselves on the side of the emergent forces in Cuba that will one day be dominant in a free country. That day may not be as distant as the impatient advocates of immediate action now fear. It certainly will never be hastened by the reckless advice of Governor Rockefeller.

Mr. SMATHERS. Mr. President, it is entirely possible that the Latin American nations, upon closer examination of this proposal for a Cuban government in exile, will also reject it as being infeasible, or because the time is not "ripe" for undertaking this kind of program. I only ask that, by calling a meeting of the Organization of American States, we give them the opportunity to decide—no matter what their decision may be.

It is my judgment that after all the facts are in and the situation carefully weighed, the Organization of American States will conclude that recognition of a Cuban government in exile is the best course of action on which we should embark in order to free the hemisphere from Castro and communism.

Some time ago, our esteemed majority leader, the great Senator from Montana [Mr. MANSFIELD], encouraged all those who have constructive solutions to the Cuban problem to come forth with them. I have done so. In some areas my plan has been criticized, but I submit that at least one of its virtues is that it is a plan, and I do not know of any other constructive plan that has been proposed. I think it will work.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Florida may have 1 additional minute.

The PRESIDING OFFICER. Without objection, the Senator from Florida is recognized for 1 additional minute.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SMATHERS. I am delighted to yield to the distinguished Senator from Montana.

Mr. MANSFIELD. I may say to the Senator from Florida that shortly I intend to make some remarks on the Cuban situation, and most especially on the speech being made during the noon hour by the Senator from New York [Mr. KEATING]. I may say, though, relative to what the distinguished Senator from Florida has just said, that he has offered proposals, that his statements on the Cuban situation have not been general, and one particular proposal, his idea of a government-in-exile, is worthy of serious consideration, because we cannot operate with 12 major groups of

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Cubans, and numerous smaller groups going off in all directions. That has been one of the weaknesses in our relations between the Cubans-in-exile and the Government of the United States. That is one of the weaknesses which must be corrected before any effective policy can be found.

I congratulate the Senator from Florida for being consistent in this instance, as he has in the others, and, most important, for coming here with proposals which he thinks will be effective and which are worthy of serious consideration.

**Mr. SMATHERS.** I thank the Senator from Montana.

**MIDDLE EAST POLICY**

**Mr. WILLIAMS** of New Jersey. Mr. President, in recent weeks a number of disturbing reports have appeared in the press regarding the growing missile capacity of Nasser's Egypt. The fact that these missiles are being built with the help of German scientists, many of whom are former Nazis, is a bitter reminder that evils spawned by their Hitler regime still exist. There can be no doubt about how President Nasser intends to use these short-range weapons; they are and will be a direct threat to Israel, still the No. 1 enemy of the Arab States. In the shifting morass of Arabian politics, with its constantly changing alliances and regimes, the one solid ground of agreement has been the irrational hatred for the free, democratic State of Israel. The dangers of this situation are now increased by the new alliance of Iraq, Syria, and Egypt—all three ancient enemies of Israel. Syria and Egypt both border directly on Israel, while the well-equipped army of Iraq is separated only by the small Kingdom of Jordan. Israel had some respite while General Kassem ruled Iraq and the Arab world was split by his bitter feud with Nasser. With the formation of a new United Arab Republic, Iraq, Egypt, and Syria will again constitute a powerful threat to her security.

Mr. President, our ties with Israel have been close from the very foundation of that country. We have watched with sympathy and admiration her struggle for independence and her growth as a free and democratic nation. In the beginning many thought that this small country could not long survive. But Israel, approaching her 15th anniversary, has grown to a point where she is now lending valuable technical assistance to the developing nations of Africa. Yet, in a part of the world where politics are too often marred by bloody revolutions, dictatorial rule and feudal despotism, Israel has always remained faithful to free democratic institutions. The progress of Israel is vivid proof that even in the Middle East a nation can defend itself and develop its economy without recourse to authoritarian rule. Israel has always exemplified the ideals of the free world.

Are Egyptian threats to Israel genuine or only for propaganda purposes? It does not seem logical that a country with the meager capital resources of Egypt would spend the vast sums required for missile development just for their parade

value. Neither can these weapons be dismissed as defensive, for the facts show the weapons are ground to ground missiles with the range to strike Israel's major cities. If President Nasser ever decides to use the missiles he has developed at such great expense, they will give him a very great, and possibly decisive, military advantage.

Mr. President, the delicate balance of power in the Middle East has maintained a precarious peace so far. It is now undergoing a radical shift. The Middle East is beginning its own small-scale version of the expensive East-West arms race. It must be remembered that Israel is developing a nuclear capacity of her own, a nuclear capacity that would probably be turned to warlike uses, if the external threats become great enough. We face an explosion in the Middle Eastern tinderbox that would endanger the life of our faithful friend, Israel, and open the way for renewed Russian intervention. Now is the time to press for a peaceful settlement to the issues that divide Israel from her neighbors before negotiations have to be conducted in the heat and confusion of a crisis atmosphere. We must continue to make every effort, both through the United Nations and our own diplomacy, to bring an end to the Middle Eastern arms race.

There is no excuse for standing by while the forces for conflict gain momentum. Nothing is more tempting to a potential aggressor than the feeling that he might be able to get away with something. Let Nasser be absolutely sure of the disastrous consequences of starting a war against Israel.

There are three steps that should be taken to preserve the balance of power and the peace of the Middle East. First, this Government should reaffirm our intention to uphold our moral obligation to defend the independence of Israel.

Secondly, the strongest pressure should be brought to bear on Egypt, already a substantial beneficiary of our aid, to abandon the senseless development of unnecessary missiles. Just because Egypt has in recent months adopted a strongly anti-Communist line does not give her an absolute guarantee of U.S. aid, particularly if this aid is indirectly used to threaten the security of other nations.

Thirdly, we should also call upon the German Government to use every legal means to prevent the employment of their citizens in this deadly work. Although we cannot blame the German Government for the unworthy actions of some of her citizens, Germany has a heavy responsibility to do everything in her power to put an end to their activities.

The aim of our Middle Eastern foreign policy is not merely making sure that everyone is suitably anti-Communist. Our goal is to insure the peaceful political and economic development of all the Middle Eastern nations. If these nations become truly independent and economically strong nations providing a decent life for their people, we would have nothing to fear from Communist infiltration. But the outbreak of war would mean the total failure of our Mid-

dle Eastern policy. Now is the time to make sure that such a war never comes about, however small the possibility.

Mr. President, I ask unanimous consent that an article from Newsweek magazine and an editorial from the Washington Post which describe the dangerous situation in the Middle East be printed in the body of the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From Newsweek, Apr. 15, 1963]

**ROCKETS IN EGYPT**

Once before the small one had entered Prime Minister David Ben-Gurion's office in Jerusalem. All he said was: "Adolf Eichmann is captured. He is on his way to Israel." Ben-Gurion held out his arms and embraced Iser Helperin, his secret service chief. Last week, the small one was back again, visiting the Prime Minister at a vacation hotel on the banks of Lake Tiberias. By the time the interview was over, Helperin knew that he had to resign over a matter of policy—and he did.

Helperin quit because his latest mission had carried him into the delicate realm of international politics—particularly the relations between Israel and West Germany. In his efforts to see to it that the 300 German technicians who work in Egypt's Military Factory 333 return home, he had poached on B-G's particular strategy to keep Israel and West Germany on amicable terms.

Military Factory 333 (mainly devoted to the assembly of small jet trainers) is the place on the banks of the Nile, near Cairo, where the Egyptians are reported to be producing ground-to-ground rockets. By modern standards, these missiles are not very good, hardly more advanced than the V2's which Hitler rained down on Antwerp during World War II. This reflection is of little consolation to the Israelis, for there is no defense against these rockets with their high explosives and they are powerful enough to reach Israel's crowded cities.

The key German rocketeers—perhaps 12 altogether—are headed by Prof. Wolfgang Pilz, a silver-haired veteran of Nazi wartime rocket development. Protected by a heavy security guard, the team lives in and around the fashionable Kubba suburb of Cairo, changing residence every few months and never appearing in public.

**THE PAST**

Other scientists and technicians in Egypt—around 200 of them—are working on the prototype of a supersonic jet fighter for President Nasser. The brains behind the team, from his headquarters in Augsburg, is Hitler's ace designer Willy Messerschmitt, whose planes gave the Luftwaffe air supremacy during the early part of World War II. Two of Messerschmitt's top men in Egypt are former Nazis. Ferdinand Brandner, a 51-year-old Austrian, was a colonel in Hitler's Storm Troops. Senior medical officer of the team is the notorious Hans Eisele, who conducted human guinea pig experiments at Buchenwald.

These scientists have been living dangerously in recent months. Although there is no concrete proof, it would seem that they have been hounded by the agents of the small one. Six Egyptian workers were killed when they opened a crate and picked up a book of instructions that blew up. The German wife of Egyptian scientist Hassan Kamel was killed when a bomb, intended for her husband, exploded in a plane over Germany. One German rocket expert, Helmut Krug, working for the Egyptians, mysteriously disappeared, and is rumored to be in the hands of the Israeli secret police.

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## THE ENEMY

There is no evidence that Ben-Gurion is against this campaign of intimidation. But he does believe that it should not interfere with good relations with West Germany, particularly as Bonn is still sending Israel payments under its \$820 million reparation agreement. Helperin evidently didn't agree, since he launched a worldwide press attack that tried to place the blame on Adenauer's government for condoning a Nazi-like effort to help Nasser, a sworn enemy of the Jews. Moreover, the ominous fact that Egypt may soon possess an arsenal of ground-to-ground high-explosive missiles was obscured by inflammatory talk of nuclear and bacteriological warheads.

The whole affair has actually deeply embarrassed the West German Government which is trying to live down its Nazi past. Bonn's Foreign Minister is seriously considering canceling passports held by the scientists if they continue their missile-building activities in Egypt.

## ISRAEL'S SECURITY

The American anxiety about armaments in the Middle East was inadequately reflected in Under Secretary of State Harriman's curious letter to a New York Congressman. Writing to LEONARD FARBSTEIN, Mr. Harriman said that alarm over German scientists in the United Arab Republic was exaggerated—after all, if the Germans weren't there, Egypt would be more dependent on the Soviet Union for developing missiles and jet aircraft. This comes close to arguing that we should be grateful for the Soviet forces in Cuba because otherwise there might be a Chinese army in the Caribbean.

What is missing in Mr. Harriman's note—and indeed in most of the lofty State Department utterances on the Middle East—is any real feeling for the plight of Israel. Here is a tiny country wholly surrounded by nations that have sworn its elimination. The United Arab Republic, now flushed with political success in Iraq and Syria, is on the verge of developing ground-to-ground missiles that could rain terror on Israel. It is of small comfort to Israel that these may be good, non-Communist missiles developed with the help of Germans so thoroughly anti-Russian that some of them worked for Hitler.

The air surely ought to be cleared, and quickly, by a reassertion of American interest in the continued security of Israel. Of course this will be interpreted by some Arabs as further tribute to the so-called "Jewish vote" which, like a pernicious ectoplasm, is supposed to permeate American policy. But where was the Jewish vote at the height of an election campaign in 1958 when the United States not only opposed Israeli aggression but also Great Britain and France—all partners in the folly of Suez?

In point of fact, the United States has leaned over backward to encourage cordial relations with President Nasser and all other Arab States. There is broad sympathy for the social goals of the United Arab Republic. This support has taken concrete form in foreign aid, and in the case of recognizing the republican regime of Yemen, Washington has crawled out on a limb in good part in order to demonstrate good faith toward Arab nationalism.

But if the United Arab Republic is determined to develop an offensive missile capacity, then it should be made plain that the United States will not simply express pained disapproval and find comfort in the political purity of the weapons. Ground-to-ground missiles would place Israel at a perilous disadvantage, even if conventional bombs were lodged in their nose. Missiles can strike at a compact target and nullify the reserve power of Israel's Army. If Mr. Nasser develops an operational offensive missile, then there will

be no alternative but to see that Israel has an adequate deterrent capacity too.

No American can contemplate without sorrow such an escalation in the Middle East arms race. Even the Soviet Union has given tacit recognition to the delicate balance of forces in the area; though Moscow has been willing to provide defensive missiles to Arab countries, it has stopped short of assistance in equipping Iraq or the United Arab Republic with offensive ballistic missiles.

The immediate task of American diplomacy is to explore every reasonable means of curtailing arms shipments to the Middle East on a multilateral basis. Specifically, this could include informal approaches to the Soviet Union, now in a mood of disenchanted reappraisal concerning the Arab world. There is at least a theoretical common ground between East and West on the desirability of preserving the peace in the Middle East. The world would breathe easier if both offensive missiles and nuclear devices were ruled out of the region under an agreement that provided effective inspection.

This should be the goal of American policy, and it would be vastly encouraging if the United States would state a large purpose rather than retreat into the lifeless platitudes of the Harriman letter ("the U.S. Government is, and has been, exploring all avenues of approach to an effective amelioration of a worrisome and complicated problem"). At the same time, it ought to be made clear that if all attempts at regional arms control fail, Israel will get the help it needs and not just snapish lectures about "worrisome and complicated problems."

## THE NATIONAL ECONOMY

Mr. ALLOTT. Mr. President, once in a while some of us receive communications which are really outstanding, commenting on events of the day. Some time ago I received a letter from Thomas Patterson Campbell, of Denver, a long-time friend of mine, whose grandfather was a Member of this body. The letter was later printed in the Denver Post. I ask unanimous consent that it be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DENVER COLO.  
February 20, 1963.

Hon. GORDON ALLOTT,  
Senate Office Building,  
Washington, D.C.

DEAR GORDON: As the years sneak by, we all become somewhat accustomed to the sights and sounds of idols tumbling off their pedestals. But, in the idiom of the day, I was really bugged when the revered Walter Lippmann suddenly appeared in the role of pitchman for Doc Heller's shell game (Denver Post, Feb. 1, 1963). True to type, of course, Walter was a bit condescending in his spiel and quite evidently annoyed that some of the yokels were a bit reluctant to be fleeced again.

Well, out here on the old frontier, some of us peasants are not convinced that if the same mistake is repeated often enough, everything will turn out right—even when assured by the learned Walter that "the principle of the 1964 budget is a new one—because the country is confronted with an economic problem which first appeared toward the end of 1957."

Nor were we greatly reassured when another self-annointed (though lesser) prophet, one Sylvia Porter (Post, Jan. 30, 1963), proclaimed that all our economic woes can be cured by greater consumer spending, by "increasing the disposable personal incomes of consumers. The Federal Government can help achieve this by paying out more than

it takes in or by cutting personal income taxes—or both. The Federal Reserve System can help achieve this by making borrowing easier and cheaper, for this encourages consumers to borrow and spend more than they earn."

In passing, we got a covert chuckle out of Conrad's heretical cartoon (Jan. 30, 1963), depicting a wife telling her frantic, debt-ridden husband: "According to Mr. Kennedy, the reason we're broke is we're not far enough in debt."

For whatever reason, it is evident that the Messrs. Lippmann and Heller (and their assorted shills) have chosen to ignore (if they ever knew) the history of money and debt. Otherwise they would have noted that their wonderful new principle was first tried out in Athens some 2,600 years ago; that it has been repeated, without significant variation, in every land, language, and age, by both public and private crooks, innumerable times, and that it has been a uniform and dismal failure in each and every attempt.

But apparently the lesson is never learned. Some 200 years after Solon rescued the farmers and shopkeepers of Athens from bondage to creditors (594 B.C.), by abrogating all debts and debasing the coinage, Aristophanes ("Frogs") wrote: "In our Republic bad citizens are preferred to good, just as bad money circulates while good disappears." (Some 1,000 years later, Sir Thomas Gresham rediscovered this truth); and about 2,000 years after Aristophanes, Thomas B. Macaulay (History of England) commented: "It may be doubted whether all the misery which had been inflicted on the English nation—by bad kings, bad ministers, bad parliaments and bad judges was equal to the misery caused by bad crowns and bad shillings."

Again, and hastening to a period the venerable Lippmann should remember in his own experience, in 1919 the Weimar Republic found itself with an unmanageable internal debt. Perhaps the Germans did not realize that they should not worry about such trivialities; after all, they owed it to themselves. But their duly elected rulers chose to pay off that debt by increasing the disposable personal incomes of consumers in a simple, direct method; namely, by printing more and more money. By 1923 the Reichsmark was worth (in purchasing power) one-trillionth of its original gold-value; the debt had been wiped out, along with the entire middle class, and the way had been paved for the advent of Hitler, the Third Reich, and the Second World War.

Surely Uncle Walter remembers October 24, 1929. But one wonders if he knows that the speculative stock bubble was punctured by selling based initially on distrust of foreign borrowing in New York (to stimulate artificial gold movements) and by a break in the bond market in May 1928? Does he know what closed the Kreditanstalt in Vienna in September 1931, and how that forced England and France off the gold standard; not to mention what later happened to their currencies?

Surely Lippman, Heller and Co. recall the 8 years of tax and tax, spend and spend, elect and elect under F.D.R.; 8 years of pumppriming, killing pigs, plowing under crops, confiscating gold, tinkering with the discount rate, clipping the dollar by 41 cents; 8 years of pirouetting to the arcane incantations of John Maynard Keynes—then and now (as Lord Keynes) the high potentate of the ancient order of the greek swindle—and finally sideslipping into World War II with some 14 percent of the civilian labor force still unemployed.

That's all history; and maybe Uncle Walter holds with G. B. Shaw that history is a set of lies agreed upon. Anyway, say both Walters, things are all new and different now: "The chronic sluggishness since 1957 has been due to insufficient total demand."